

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) 01/04 To (mo./yr.) 12/04
2. DOGM File Number (Mine No): M / 01/027
3. Mine Name: Pearl Queen Mine
4. Mineral(s) Mined (or permitted to mine): Perlite
5. Type of mine ☒ Surface Mine or ☐ Underground Mine
6. Legal Description (Location of Lands Affected):
1/4, 1/4, 1/4, Section 1, Township 27S, Range 9W
1/4, 1/4, 1/4, Section 2, Township 27S, Range 9W
1/4, 1/4, 1/4, Section , Township , Range
7. Name of Operator or Company: Basin Perlite Company
8. Permanent Street Address: P.O. Box 490, 533 S Industrial loop Road
City, State, Zip: Milford, UT 84751
Phone: (435) 387-2100 Fax: (435) 387-2403
9. Company Representative (or designated operator):
Name: Timothy L. Hall
Title: President
Business Address: P.O. Box 490
City, State, Zip: Milford, UT 84751
Phone: (435) 387-2100 Fax: (435) 387-2403
☐ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was there any mine related activity during the past year? Yes ☒ No ☐
2. If no - what was the last year of activity? 3/31/05
3. If yes - how much ore or mineral was mined? 34,205 Short Tons

0003

TM
3/31/05

RECEIVED

MAR 24 2005

4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.
34,205 Tons mined and hauled from Schoo Pit.
20,837 Tons were sold and processed product.

5. How much additional acreage was disturbed during the past year? 1.3 Acres
6. How much acreage was reclaimed during the past year? 7 Acres
7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.
7 Acres in the Pearl Queen Pit were recontoured and
covered with soil.

8. What is the **total** disturbed acreage of entire project at years end? 22 Acres
9. Briefly summarize any mining and/or reclamation plans for the upcoming year.
Continue to mine in the Schoo Pit.
Finish reclamation at the Pearl Queen Pit.


NOTE: Section III., "Additional Information" applies only to **large mining operations**.

III. Additional Information - R647-4-121.2 and .3

1. The operator shall include an updated map depicting surface disturbance and reclamation performed during the year, prepared in accordance with Rule R647-4-105.
2. The operator shall keep and maintain timely records relating to his performance under the Act, and shall make these records available to the Division upon request.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

| | |
|------------------------|---|
| Name (Typed or Print): | <u>Timothy L. Hall</u> |
| Title of Operator: | <u>President</u> |
| Signature of Operator: | <u></u> |
| Date: | <u>March 22, 2005</u> |

7 ACRES
RECONSTRUCTED

Expansion 12/02-12/07
4.75 acres more or less total

Current Permit Boundary
19.3 acres more or less

No Surface Disturbances
Until 12/07 2.7 acres

HEAD QUEEN PIT

Proposed To
Drop From
Permit Area
23.5 acres

Pit 2
0.14 Acres
GPS Control Point

Pit 6
GPS Control Point

Road To Be Permitted
12.5 acres more or less

Road To Be
Constructed

Pit 3
4.85 Acres

No Surface
Disturbances
Until 12/07
24.4 Acres

UTAH STATE MINERAL LEASE ML 3092

87-1
GPS Control Point

Expansion
1.25 acres more or less

SEC. 2

SEC. 1

BASIN PERLITE COMPANY
SURFACE FACILITIES MAP
PEARL QUEEN MINE
PERMIT M/001/027
BEAVER COUNTY, UTAH
T27S-R9W

DECEMBER 2002
SCALE 1"=400'

EXHIBIT D